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JUL 1, 2007
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BEFORE THE BOARD OF MILK CONTROL
OF THE STATE OF MONTANA
ANNOUNCEMENT OF CLASS I, II & III PRODUCER PRICES

Milk Control Bureau
1225 8th Ave.
PO Box 202003
Helena MT 59620-2003
Phone: (406) 444-2875
Fax: (406) 444-1432

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PRODUCER CLASS I PRICE IN MONTANA

REF: ARM 32.24.301(5)

CLASS I PRICE FOR MILK TESTING 3.5%	$23.46	/CWT
CLASS I BUTTERFAT PRICE PER POUND	$1.70	/LB

EFFECTIVE AUGUST 1, 2007:

The minimum price to pay milk producers, under ARM 32.24.301, is $23.46 per hundred pounds of milk testing 3.5% butterfat, f.o.b. the milk distributor's plant.

When milk does not test 3.5% butterfat, compute the applicable price by applying a differential of 17.0 cents for each one-tenth of one percent butterfat above or below the midpoint of each producer payment. The value of one pound of butterfat utilized will be $1.70

PRODUCER CLASS II PRICE IN MONTANA

REF: ARM 32.24.301(6)

CLASS II PRICE FOR MILK TESTING 3.5%	$22.14 /CWT

Average spray process dry milk solids price per pound	=	$2.23625		
Multiplied by 8.2	x	8.2		
		$18.33730		$18.33730
Last quote of the month for Grade AA butter minus a differential of $.0895	=	$1.39550		
Multiplied by 4.2	x	4.2		
		$5.86110	+	$5.86110
				$24.19840
LESS a make allowance of 8.5% (		$24.1984 X .085)	-	$2.05686
				$22.14154
Rounded to the nearest whole cent	=	**$22.14** /hundredweight.		

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 EFF: August 1, 2007

CLASS II BUTTERFAT PRICE PER POUND **$1.55 /LB**

Last quote of the month for Grade AA butter minus a differential of $.0895	=	$1.39550 X .111)	=	$0.15490
Rounded to the nearest half cent			=	$0.155
Butterfat value per pound for milk at 3.5% test:		$1.55		
Hundredweight price of milk testing 3.5%			=	$22.14
LESS 3.5 pounds of butterfat at		$1.55 per pound	-	$5.425
Value of 96.5 pounds of skim			=	$16.715
CLASS II VALUE OF ONE POUND OF SKIM		16.715 / 96.5 pounds)	=	$0.17321 /LB

PRODUCER CLASS III PRICE IN MONTANA

REF: ARM 32.24.301(7)

CLASS III PRICE PER CWT FOR MILK TESTING 3.5% **$19.10 /CWT**

3.5 pounds of butterfat	x	$1.26	per pound =	$4.410
96.5 pounds of skim	x	$0.15220	per pound =	$14.687
				$19.097 /CWT

CLASS III BUTTERFAT PRICE PER POUND **$1.26 /LB**

Last quote of the month for Grade AA butter minus a difference of $.0895	=	$1.39550
LESS 10%	-	$0.13955
		$1.25595
Rounded to the nearest whole cent	=	$1.26 per pound.

CLASS III PRICE PER CWT FOR SKIM MILK UTILIZED $15.21992 /CWT

Avg. spray process dry milk solid price/lb =		$2.23625
Multiplied by 8.2	x	8.2
		$18.33725
LESS 17%	-	$3.11733
		$15.21992
Rounded to the nearest whole cent	=	$15.22 per hundredweight.

BY ORDER OF THE MONTANA MILK CONTROL BUREAU

Compiled by: Monte Nick

Monte Nick, Bureau Chief
Montana Milk Control Bureau

BREAKDOWN BY TEST FOR CLASS I, II & III SKIM PRICES

CLASS I SKIM PRICE BASED ON $23.46 FOR 3.5% MILK 96.5 LBS = $17.510			CLASS II SKIM PRICE BASED ON $22.14 FOR 3.5% MILK 96.5 LBS = $16.715			CLASS III SKIM PRICE BASED ON $19.10 FOR 3.5% MILK 96.5 LBS = $14.687		
	Blend Prices			Blend Prices			Blend Prices	
	Quota	Excess		Quota	Excess		Quota	Excess
Jan-97	$ 13.25	$ 11.85	Jul-00	$ 13.11	$ 9.21	Jan-04	$ 14.15	$ 10.59
Feb-97	$ 13.01	$ 9.83	Aug-00	$ 13.51	$ 8.04	Feb-04	$ 12.75	$ 11.64
Mar-97	$ 13.35	$ 9.95	Sep-00	$ 13.38	$ 9.53	Mar-04	$ 13.15	$ 12.48
Apr-97	$ 13.84	$ 9.88	Oct-00	$ 13.49	$ 8.14	Apr-04	$ 14.23	$ 13.94
May-97	$ 13.79	$ 8.11	Nov-00	$ 13.40	$ 10.31	May-04	$ 14.45	$ 13.95
Jun-97	$ 12.37	$ 8.09	Dec-00	$ 12.82	$ 9.29	Jun-04	$ 18.35	$ 12.97
Jul-97	$ 12.34	$ 8.14	Jan-01	$ 14.01	$ 10.23	Jul-04	$ 19.04	$ 10.58
Aug-97	$ 12.41	$ 9.59	Feb-01	$ 13.47	$ 9.91	Aug-04	$ 17.27	$ 11.19
Sep-97	$ 12.80	$ 10.38	Mar-01	$ 12.84	$ 10.47	Sep-04	$ 14.63	$ 11.29
Oct-97	$ 13.76	$ 10.50	Apr-01	$ 14.10	$ 11.76	Oct-04	$ 14.24	$ 11.17
Nov-97	$ 14.05	$ 11.22	May-01	$ 14.68	$ 12.62	Nov-04	$ 15.26	$ 11.49
Dec-97	$ 14.22	$ 10.43	Jun-01	$ 15.78	$ 13.09	Dec-04	$ 13.86	$ 10.66
Jan-98	$ 14.16	$ 10.10	Jul-01	$ 15.48	$ 13.36	Jan-05	$ 15.51	$ 13.80
Feb-98	$ 14.38	$ 10.11	Aug-01	$ 16.52	$ 13.92	Feb-05	$ 15.67	$ 10.61
Mar-98	$ 14.50	$ 9.65	Sep-01	$ 15.74	$ 14.58	Mar-05	$ 14.32	$ 11.99
Apr-98	$ 14.50	$ 9.65	Oct-01	$ 16.74	$ 13.29	Apr-05	$ 15.03	$ 12.43
May-98	$ 13.72	$ 8.71	Nov-01	$ 15.40	$ 12.22	May-05	$ 14.74	$ 12.74
Jun-98	$ 13.37	$ 10.65	Dec-01	$ 14.90	$ 10.38	Jun-05	$ 14.57	$ 11.81
Jul-98	$ 12.91	$ 12.54	Jan-02	$ 12.99	$ 10.60	Jul-05	$ 14.09	$ 12.30
Aug-98	$ 14.53	$ 13.06	Feb-02	$ 12.90	$ 10.78	Aug-05	$ 15.16	$ 13.33
Sep-98	$ 16.03	$ 13.37	Mar-02	$ 12.77	$ 10.50	Sep-05	$ 15.47	$ 12.66
Oct-98	$ 16.12	$ 14.72	Apr-02	$ 12.72	$ 10.20	Oct-05	$ 14.76	$ 13.77
Nov-98	$ 16.34	$ 15.91	May-02	$ 12.55	$ 10.84	Nov-05	$ 14.97	$ 13.21
Dec-98	$ 17.17	$ 15.55	Jun-02	$ 11.51	$ 8.79	Dec-05	$ 14.96	$ 12.29
Jan-99	$ 16.94	$ 10.92	Jul-02	$ 12.30	$ 9.46	Jan-06	$ 14.15	$ 12.46
Feb-99	$ 17.54	$ 9.92	Aug-02	$ 11.82	$ 10.15	Feb-06	$ 14.08	$ 12.58
Mar-99	$ 16.75	$ 9.63	Sep-02	$ 11.86	$ 10.36	Mar-06	$ 14.05	$ 12.55
Apr-99	$ 11.95	$ 10.31	Oct-02	$ 11.68	$ 10.11	Apr-06	$ 12.71	$ 11.21
May-99	Missing May		Nov-02	$ 11.60	$ 10.66	May-06	$ 12.44	$ 10.94
Jun-99	$ 12.86	$ 9.51	Dec-02	$ 12.04	$ 10.61	Jun-06	$ 11.98	$ 10.48
Jul-99	$ 12.85	$ 11.66	Jan-03	$ 12.85	$ 10.61	Jul-06	$ 11.44	$ 9.94
Aug-99	$ 13.25	$ 13.11	Feb-03	$ 11.08	$ 9.52	Aug-06	$ 12.24	$ 10.74
Sep-99	$ 14.79	$ 12.26	Mar-03	$ 11.31	$ 9.65	Sep-06	$ 12.44	$ 10.94
Oct-99	$ 16.32	$ 10.20	Apr-03	$ 11.10	$ 10.06	Oct-06	$ 12.57	$ 11.07
Nov-99	$ 17.00	$ 8.10	May-03	$ 11.17	$ 9.80	Nov-06	$ 13.73	$ 12.23
Dec-99	$ 12.68	$ 8.18	Jun-03	$ 10.99	$ 9.49	Dec-06	$ 13.42	$ 11.92
Jan-00	$ 11.39	$ 8.14	Jul-03	$ 11.23	$ 10.00	Jan-07	$ 13.91	$ 12.41
Feb-00	$ 12.33	$ 7.98	Aug-03	$ 11.65	$ 12.40	Feb-07	$ 14.48	$ 12.98
Mar-00	$ 12.15	$ 8.05	Sep-03	$ 12.58	$ 12.67	Mar-07	$ 14.65	$ 13.15
Apr-00	$ 12.18	$ 8.03	Oct-03	$ 14.50	$ 14.08	Apr-07	$ 15.17	$ 13.67
May-00	$ 12.35	$ 7.79	Nov-03	$ 14.09	$ 12.38	May-07	$ 16.11	$ 14.61
Jun-00	$ 12.47	$ 7.83	Dec-03	$ 14.60	$ 11.22	Jun-07		

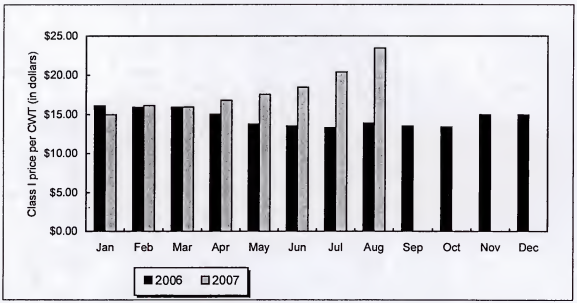
PRODUCER CLASS I PRICE IN MONTANA

Charts below show a class I price comparison for 2006 and 2007

Statistics from the Montana Milk Control Bureau

Month	2006	2007	Difference	% Change
January	$16.12	$14.98	($1.14)	-7.07%
February	$15.93	$16.14	$0.21	1.32%
March	$15.93	$15.94	$0.01	0.06%
April	$15.04	$16.80	$1.76	11.70%
May	$13.77	$17.55	$3.78	27.45%
June	$13.52	$18.47	$4.95	36.61%
July	$13.30	$20.39	$7.09	53.31%
August	$13.89	$23.46	$9.57	68.90%
September	$13.52			
October	$13.40			
November	$14.97			
December	$14.95			
Average	**$14.53**	**$17.97**	**$3.28**	**24.04%**

Prices are per hundredweight (CWT).



Completion of pooling (prior to audit) shows the producer quota blend prices to be:

MAY 2007: class I = $8.86; class II = $1.09; Class III = $4.40; total = $14.34

(calculations based upon utilization percentages of butterfat & skim)